## Briefs

### Livestock, Dairy, & Poultry

# Broilers Headed for Record Production & Consumption

The U.S. broiler industry has seen continuous yearly gains in production since 1975, with 2002 likely to again set a new record. U.S. broiler consumption this year should also set a record, fed by strong consumer demand and competitive prices relative to other meats. In contrast, turkey consumption has not kept pace with production, and with exports down, stocks have grown. Egg production and consumption will likely show only modest gains in 2002, and egg exports are expected to be down.

**Broiler production** for 2002 is estimated at 32.4 billion pounds, 3.5 percent higher than the previous year. Production is growing as higher numbers of birds are slaughtered and average weight increases. Broiler production growth should slow in late 2002, with the number of broiler chicks for growout in the fourth quarter forecast to be only slightly higher than the previous year.

**Broiler consumption** reached a record 20.8 pounds per person (retail-weight basis) for the second quarter of 2002. Overall per capita broiler consumption for 2002 is expected to total just over 80 pounds, an increase of 3.8 pounds from 2001 and a new annual record. High domestic availability of broiler meat from expanding production and weakening exports have made prices very competitive relative to other meats and helped to promote consumption.

**Broiler exports** for 2002, forecast at 4.9 billion pounds, will be 12 percent lower than 2001 but close to the amount shipped in 2000. Second quarter 2002 broiler exports totaled 1.12 billion pounds, down 20 percent from the same period in 2001 primarily due to restrictions imposed by Russia on poultry imports from the U.S. Exports to Russia over the first 7 months of 2002 were 29 percent lower than the same period in 2001, but seem to be picking up again. The 141 million pounds shipped to Russia during July were lower than exports in June, but considerably higher than in April or May. Exports to other major markets, such as Hong Kong/China and Japan, have also been lower this year. Shipments to Japan declined due to a series of bans on imports of U.S. poultry products prompted by avian influenza outbreaks in some U.S. broiler and turkey flocks. Mexico and Korea were the only major markets where broiler exports increased over the first 7 months of 2002 compared with a year earlier.

**U.S. Broiler Production* and Consumption to Reach Record Levels in 2002**

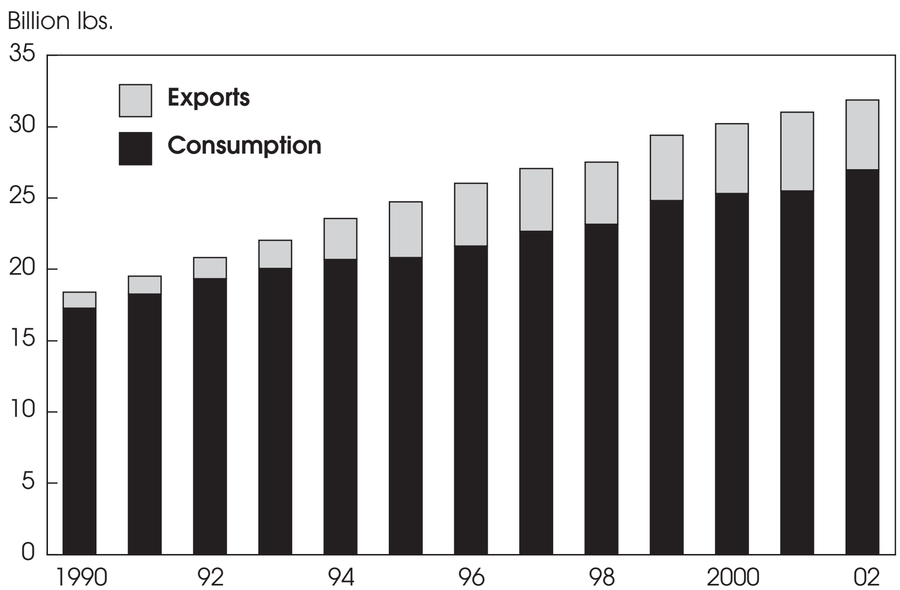
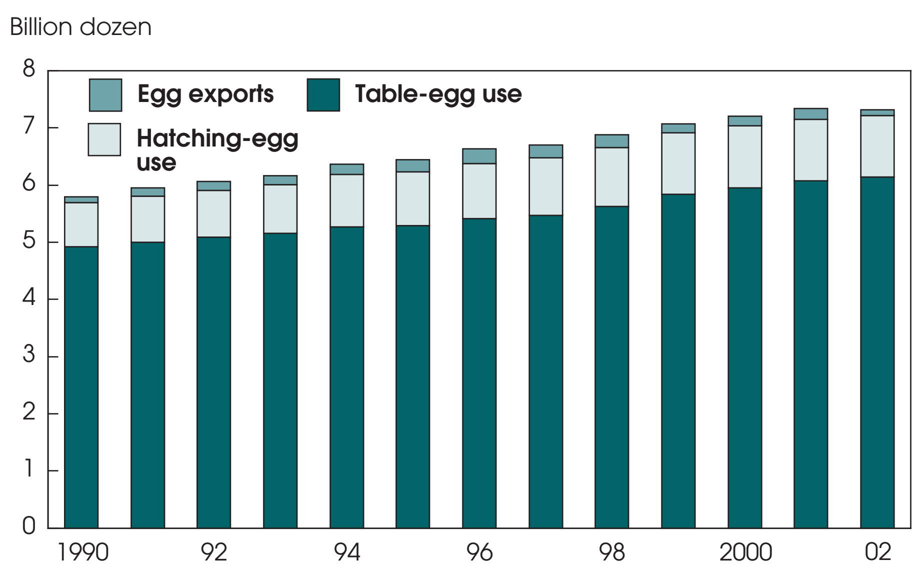



**Table-Egg Use Also Forecast to Set New Record in 2002**




*Height of bar indicates level of production.
2002 forecast.
Economic Research Service, USDA

# Briefs

**Turkey production** is expected to total 5.6 billion pounds in 2002, up 2 percent from the previous year. Over the past decade, turkey production in the U.S. has increased at about the same pace as population, and per capita consumption has remained relatively flat at 17.3-18.2 pounds annually. Over the first 8 months of 2002, U.S. turkey production totaled 3.8 billion pounds, 3 percent higher than during the same period in 2001. The increase in production, coupled with flat exports and flat domestic consumption, has resulted in higher stocks of whole turkeys and turkey parts. On September 1, 2002, turkey stocks were 682 million pounds, 25 percent higher than the previous year, due mostly to an increase in turkey parts (up 64 percent). The higher stocks put downward pressure on prices, with prices for turkey drumsticks and wings falling more than prices for whole turkeys and breast meat.

**Turkey exports** totaled 262 million pounds over the first 7 months of 2002, down 4 percent from the same period in 2001. Lower volumes to Mexico, Russia, and Korea accounted for most of the decline. Mexico, by far the largest export market for U.S. turkey products, imported 45 percent of U.S. turkey exports in 2001. Sluggish economic conditions there led to a 1.3-percent drop in the first 7 months of 2002 compared with a year earlier. The drop in exports to Russia, the second-largest market for U.S. turkey exports, was far more drastic—58 percent lower than during the same 7 month period in 2001. Import restrictions that curtailed broiler exports to Russia also affected turkey exports.

Lower turkey exports to Mexico, Russia, and Korea have been partially offset by a strong increase in shipments to Hong Kong, up 111 percent over the first 7 months of 2001. Contingent on continued strong exports to Hong Kong and resumption of turkey shipments to Russia, overall turkey exports in 2002 are expected to total 456 million pounds, down 6 percent from 2001.

**Egg production** in 2002 is expected to total 7.22 billion dozen, 1 percent higher than in 2001. Over the first 8 months of 2002, egg production was 4.78 billion dozen, up less than 1 percent from the same period in 2001. Layers in production on September 1, 2002, totaled 336.5 million birds, 1 percent higher than the previous year. Layers producing table eggs totaled 278 million, while there were 58.4 million layers producing hatching eggs.

**Egg use** has been increasing and is forecast to total 6.08 billion dozen in 2002. Continuing strong growth is the **breaking-egg market**, which provides egg products for the food processing industry and pasteurized liquid eggs for the food service industry. Through August 2002, 1.25 billion dozen eggs, approximately 31 percent of all eggs produced for table use, went to the breaking-egg market. This volume was up 4 percent from the same period in 2001. While production of eggs for table use grew slightly over the first 8 months of 2002, wholesale egg prices averaged 4 percent below those for the same period of 2001. However, wholesale prices for eggs in July and August 2002 were above year-earlier levels and are expected to remain higher during the second half of 2002.

**Hatching-egg use** also increased in the first half of 2002 and is forecast to continue upward into 2003. Most the increase will come from higher hatching of eggs to produce chicks going into broiler production.

**Egg exports** in 2002 are forecast at 182 million dozen, down 4 percent from 2001. Through July 2002, egg exports were 99 million dozen, 3.8 percent lower than during the same period in 2001. The bulk of the decrease was due to a strong decline in exports to Japan, again the result of Japan's weak economy and its bans on imports of U.S. poultry products. Partially offsetting the lower shipments to Japan were larger exports to Canada (up 3.4 percent) and Belgium (up 97 percent). Almost all the increase in shipments to Belgium was processed egg products for use in the food service sector.

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**For more information** see the ERS briefing room on poultry and eggs
**www.ers.usda.gov/briefing/poultry/**

**November Releases—National Agricultural Statistics Service**

The following reports are issued electronically at 3 p.m. (ET) unless otherwise indicated.
***www.ers.usda.gov/nass/pubs/pubs.htm***

**November**

**3** *Crop Progress (4 p.m.)*
**4** *Weather - Crop Summary (noon)*
*Dairy Products*
**5** *Broiler Hatchery*
**6** *Egg Products*
**7** *Dairy Products Prices (8:30 a.m.)*
*Poultry Slaughter (8:30 a.m.)*
**10** *Crop Progress (4 p.m.)*
**12** *Cotton Ginnings (8:30 a.m.)*
*Crop Production (8:30 a.m.)*
*Weather - Crop Summary (noon)*
**13** *Broiler Hatchery*
*Turkey Hatchery*
**14** *Dairy Products Prices (8:30 a.m.)*
**17** *Milk Production*
*Crop Progress (4 p.m.)*
**18** *Weather - Crop Summary (noon)*
**19** *Broiler Hatchery*
**20** *Cold Storage*
**21** *Dairy Products Prices (8:30 a.m.)*
*Livestock Slaughter (8:30 a.m.)*
*Catfish Processing*
*Cattle on Feed*
*Chickens and Eggs*
*Farm Labor*
*Monthly Agnews*
**24** *Crop Progress (4 p.m.)*
**25** *Cotton Ginnings (8:30 a.m.)*
*Weather - Crop Summary (noon)*
**26** *Broiler Hatchery*
*Peanut Stocks & Processing*
**28** *Agricultural Prices*
*Dairy Products Prices*
*Monthly Hogs and Pigs*